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**State Bar Court of California**

Hearing Department  
Los Angeles

**PUBLIC MATTER**

<p>Counsel For The State Bar</p> <p><b>Charles T. Calix</b> Deputy Trial Counsel 1149 S. Hill Street Los Angeles, CA 90015 (213) 765-1000</p> <p>Bar # <b>146853</b></p>	<p>Case Number (s) <b>05-O-04340</b></p>	<p>(for Court's use)</p> <p><b>FILED</b></p> <p><b>JAN 06 2010</b></p> <p>STATE BAR COURT CLERK'S OFFICE LOS ANGELES</p>
<p>Counsel For Respondent</p> <p><b>Arthur L. Margolis</b> 2000 Riverside Drive Los Angeles, California 90039-375 (323) 953-8996</p> <p>Bar #</p>	<p>Submitted to: <b>Settlement Judge</b></p> <p>STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING</p> <p><b>STAYED SUSPENSION; NO ACTUAL SUSPENSION</b></p> <p><input type="checkbox"/> PREVIOUS STIPULATION REJECTED</p>	
<p>In the Matter Of: <b>Olga Alexandra Karasik</b></p> <p>Bar # <b>169636</b></p> <p>A Member of the State Bar of California (Respondent)</p>		

**Note: All information required by this form and any additional information which cannot be provided in the space provided, must be set forth in an attachment to this stipulation under specific headings, e.g., "Facts," "Dismissals," "Conclusions of Law," "Supporting Authority," etc.**

**A. Parties' Acknowledgments:**

- (1) Respondent is a member of the State Bar of California, admitted **January 10, 1994**.
- (2) The parties agree to be bound by the factual stipulations contained herein even if conclusions of law or disposition are rejected or changed by the Supreme Court.
- (3) All investigations or proceedings listed by case number in the caption of this stipulation are entirely resolved by this stipulation and are deemed consolidated. Dismissed charge(s)/count(s) are listed under "Dismissals." The stipulation consists of **10** pages, not including the order.
- (4) A statement of acts or omissions acknowledged by Respondent as cause or causes for discipline is included under "Facts."
- (5) Conclusions of law, drawn from and specifically referring to the facts are also included under "Conclusions of Law".
- (6) The parties must include supporting authority for the recommended level of discipline under the heading "Supporting Authority."



In the Matter of *OLGA A. KARASIK*

Case Number(s): *05-C-04340*

A Member of the State Bar

**NOLO CONTENDERE PLEA TO STIPULATION AS TO FACTS, CONCLUSIONS OF LAW AND DISPOSITION**

Bus. & Prof. Code §6085.5 Disciplinary Charges; Pleas to Allegations

There are three kinds of pleas to the allegations of a notice of disciplinary charges or other pleading which initiates a disciplinary proceeding against a member:

(a) Admission of culpability.

(b) Denial of culpability.

(c) **Nolo contendere, subject to the approval of the State Bar Court. The court shall ascertain whether the member completely understands that a plea of nolo contendere shall be considered the same as an admission of culpability and that, upon a plea of nolo contendere, the court shall find the member culpable. The legal effect of such a plea shall be the same as that of an admission of culpability for all purposes, except that the plea and any admissions required by the court during any inquiry it makes as to the voluntariness of, or the factual basis for, the pleas, may not be used against the member as an admission in any civil suit based upon or growing out of the act upon which the disciplinary proceeding is based. (Added by Stats. 1996, ch. 1104.) (emphasis supplied)**

**RULE 133, Rules of Procedure of the State Bar of California STIPULATIONS AS TO FACTS, CONCLUSIONS OF LAW AND DISPOSITION**

(a) A proposed stipulation as to facts, conclusions of law, and disposition shall set forth each of the following: . . .

(5) a statement that respondent either

(i) admits the facts set forth in the stipulation are true and that he or she is culpable of violations of the specified statutes and/or Rules of Professional Conduct or

(ii) **pleads nolo contendere to those facts and violations. If the respondent pleads nolo contendere, the stipulation shall include each of the following:**

(a) **an acknowledgment that the respondent completely understands that the plea of nolo contendere shall be considered the same as an admission of the stipulated facts and of his or her culpability of the statutes and/or Rules of Professional Conduct specified in the stipulation; and**

(b) **if requested by the Court, a statement by the deputy trial counsel that the factual stipulations are supported by evidence obtained in the State Bar investigation of the matter. (emphasis supplied)**

I, the Respondent in this matter, have read the applicable provisions of Bus. & Prof. Code §6085.5 and rule 133(a)(5) of the Rules of Procedure of the State Bar of California. I plead nolo contendere to the charges set forth in this stipulation and I completely understand that my plea shall be considered the same as an admission of culpability except as stated in Business and Professions Code section 6085.5(c).

*12/08/09*  
Date

*[Signature]*  
Signature

*OLGA KARASIK*  
print name

(Nolo Contendere Plea form approved by SBC Executive Committee 10/22/97)

(Do not write above this line.)

- (7) No more than 30 days prior to the filing of this stipulation, Respondent has been advised in writing of any pending investigation/proceeding not resolved by this stipulation, except for criminal investigations.
- (8) Payment of Disciplinary Costs—Respondent acknowledges the provisions of Bus. & Prof. Code §§6086.10 & 6140.7. (Check one option only):
- costs added to membership fee for calendar year following effective date of discipline.
  - costs to be paid in equal amounts prior to February 1 for the following membership years: **two (2) billing cycles following the effective date of the Supreme Court order.**  
(hardship, special circumstances or other good cause per rule 284, Rules of Procedure)
  - costs waived in part as set forth in a separate attachment entitled "Partial Waiver of Costs"
  - costs entirely waived

**B. Aggravating Circumstances [for definition, see Standards for Attorney Sanctions for Professional Misconduct, standard 1.2(b)]. Facts supporting aggravating circumstances are required.**

- (1)  **Prior record of discipline** [see standard 1.2(f)]
- (a)  State Bar Court case # of prior case
  - (b)  Date prior discipline effective
  - (c)  Rules of Professional Conduct/ State Bar Act violations:
  - (d)  Degree of prior discipline
  - (e)  If Respondent has two or more incidents of prior discipline, use space provided below or a separate attachment entitled "Prior Discipline."
- (2)  **Dishonesty:** Respondent's misconduct was surrounded by or followed by bad faith, dishonesty, concealment, overreaching or other violations of the State Bar Act or Rules of Professional Conduct.
- (3)  **Trust Violation:** Trust funds or property were involved and Respondent refused or was unable to account to the client or person who was the object of the misconduct for improper conduct toward said funds or property.
- (4)  **Harm:** Respondent's misconduct harmed significantly a client, the public or the administration of justice. **Respondent's misconduct was a substantial factor in Mark Boothby's ("Boothby") lawsuit against his former business partner, Frank Parker ("Parker"), Respondent, and Respondent's then employer. After a multiple day trial, the jury found that: Parker breached his partnership agreement with Boothby; Respondent was negligent; and Respondent breached her fiduciary duty to Boothby. The jury awarded Boothby the sum of: \$725,000 against Parker and Respondent as general damages; and \$350,000 against Parker as punitive damages.**
- (5)  **Indifference:** Respondent demonstrated indifference toward rectification of or atonement for the consequences of his or her misconduct.
- (6)  **Lack of Cooperation:** Respondent displayed a lack of candor and cooperation to victims of his/her misconduct or to the State Bar during disciplinary investigation or proceedings.

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- (7)  **Multiple/Pattern of Misconduct:** Respondent's current misconduct evidences multiple acts of wrongdoing or demonstrates a pattern of misconduct.
- (8)  **No aggravating circumstances** are involved.

**Additional aggravating circumstances**

**C. Mitigating Circumstances [see standard 1.2(e)]. Facts supporting mitigating circumstances are required.**

- (1)  **No Prior Discipline:** Respondent has no prior record of discipline over many years of practice coupled with present misconduct which is not deemed serious.
- (2)  **No Harm:** Respondent did not harm the client or person who was the object of the misconduct.
- (3)  **Candor/Cooperation:** Respondent displayed spontaneous candor and cooperation with the victims of his/her misconduct and to the State Bar during disciplinary investigation and proceedings.
- (4)  **Remorse:** Respondent promptly took objective steps spontaneously demonstrating remorse and recognition of the wrongdoing, which steps were designed to timely atone for any consequences of his/her misconduct.
- (5)  **Restitution:** Respondent paid \$ \_\_\_\_\_ on \_\_\_\_\_ in restitution to \_\_\_\_\_ without the threat or force of disciplinary, civil or criminal proceedings.
- (6)  **Delay:** These disciplinary proceedings were excessively delayed. The delay is not attributable to Respondent and the delay prejudiced him/her.
- (7)  **Good Faith:** Respondent acted in good faith.
- (8)  **Emotional/Physical Difficulties:** At the time of the stipulated act or acts of professional misconduct Respondent suffered extreme emotional difficulties or physical disabilities which expert testimony would establish was directly responsible for the misconduct. The difficulties or disabilities were not the product of any illegal conduct by the member, such as illegal drug or substance abuse, and Respondent no longer suffers from such difficulties or disabilities.
- (9)  **Severe Financial Stress:** At the time of the misconduct, Respondent suffered from severe financial stress which resulted from circumstances not reasonably foreseeable or which were beyond his/her control and which were directly responsible for the misconduct.
- (10)  **Family Problems:** At the time of the misconduct, Respondent suffered extreme difficulties in his/her personal life which were other than emotional or physical in nature.
- (11)  **Good Character:** Respondent's good character is attested to by a wide range of references in the legal and general communities who are aware of the full extent of his/her misconduct. **Respondent's good character has been attested to by a number of references, including a friend who has known Respondent for approximately 28 years, client who has known Respondent for approximately 13 years, her present law partner who has known Respondent for approximately 12 years, a former law partner who has known Respondent for approximately 14 years, and two former employers who employed Respondent for eight years.**
- (12)  **Rehabilitation:** Considerable time has passed since the acts of professional misconduct occurred followed by convincing proof of subsequent rehabilitation.

- (13)  No mitigating circumstances are involved.

**Additional mitigating circumstances**

**Respondent has no record of discipline between the time of her admission on January 10, 1994 and the misconduct in or about February and March 2005.**

**D. Discipline:**

- (1)  **Stayed Suspension:**

(a)  Respondent must be suspended from the practice of law for a period of **two (2) years**.

i.  and until Respondent shows proof satisfactory to the State Bar Court of rehabilitation and present fitness to practice and present learning and ability in the law pursuant to standard 1.4(c)(ii), Standards for Attorney Sanctions for Professional Misconduct.

ii.  and until Respondent pays restitution as set forth in the Financial Conditions form attached to this stipulation.

iii.  and until Respondent does the following:

The above-referenced suspension is stayed.

- (2)  **Probation:**

Respondent is placed on probation for a period of **three (3) years**, which will commence upon the effective date of the Supreme Court order in this matter. (See rule 9.18 California Rules of Court)

**E. Additional Conditions of Probation:**

- (1)  During the probation period, Respondent must comply with the provisions of the State Bar Act and Rules of Professional Conduct.
- (2)  Within ten (10) days of any change, Respondent must report to the Membership Records Office of the State Bar and to the Office of Probation of the State Bar of California ("Office of Probation"), all changes of information, including current office address and telephone number, or other address for State Bar purposes, as prescribed by section 6002.1 of the Business and Professions Code.
- (3)  Within thirty (30) days from the effective date of discipline, Respondent must contact the Office of Probation and schedule a meeting with Respondent's assigned probation deputy to discuss these terms and conditions of probation. Upon the direction of the Office of Probation, Respondent must meet with the probation deputy either in-person or by telephone. During the period of probation, Respondent must promptly meet with the probation deputy as directed and upon request.
- (4)  Respondent must submit written quarterly reports to the Office of Probation on each January 10, April 10, July 10, and October 10 of the period of probation. Under penalty of perjury, Respondent must state whether Respondent has complied with the State Bar Act, the Rules of Professional Conduct, and all conditions of probation during the preceding calendar quarter. Respondent must also state whether there are any proceedings pending against him or her in the State Bar Court and if so, the case number and current status of that proceeding. If the first report would cover less than 30 days, that report must be submitted on the next quarter date, and cover the extended period.

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In addition to all quarterly reports, a final report, containing the same information, is due no earlier than twenty (20) days before the last day of the period of probation and no later than the last day of probation.

- (5)  Respondent must be assigned a probation monitor. Respondent must promptly review the terms and conditions of probation with the probation monitor to establish a manner and schedule of compliance. During the period of probation, Respondent must furnish to the monitor such reports as may be requested, in addition to the quarterly reports required to be submitted to the Office of Probation. Respondent must cooperate fully with the probation monitor.
- (6)  Subject to assertion of applicable privileges, Respondent must answer fully, promptly and truthfully any inquiries of the Office of Probation and any probation monitor assigned under these conditions which are directed to Respondent personally or in writing relating to whether Respondent is complying or has complied with the probation conditions.
- (7)  Within one (1) year of the effective date of the discipline herein, Respondent must provide to the Office of Probation satisfactory proof of attendance at a session of the State Bar Ethics School, and passage of the test given at the end of that session.
- No Ethics School recommended. Reason: \_\_\_\_\_
- (8)  Respondent must comply with all conditions of probation imposed in the underlying criminal matter and must so declare under penalty of perjury in conjunction with any quarterly report to be filed with the Office of Probation.
- (9)  The following conditions are attached hereto and incorporated:
- |   |   |
|---|---|
| <input type="checkbox"/> Substance Abuse Conditions | <input type="checkbox"/> Law Office Management Conditions |
| <input type="checkbox"/> Medical Conditions         | <input type="checkbox"/> Financial Conditions             |

#### F. Other Conditions Negotiated by the Parties:

- (1)  **Multistate Professional Responsibility Examination:** Respondent must provide proof of passage of the Multistate Professional Responsibility Examination ("MPRE"), administered by the National Conference of Bar Examiners, to the Office of Probation within one year. **Failure to pass the MPRE results in actual suspension without further hearing until passage. But see rule 9.10(b), California Rules of Court, and rule 321(a)(1) & (c), Rules of Procedure.**
- No MPRE recommended. Reason: \_\_\_\_\_
- (2)  **Other Conditions:**
- Within one (1) year of the effective date of the discipline herein, Respondent must submit to the Office of Probation satisfactory evidence of completion of no less than twelve (12) hours of MCLE approved courses in legal ethics. This requirement is separate from any MCLE requirement, and Respondent shall not receive MCLE credit for attending these courses (Rule 3201, Rules of Procedure of the State Bar).**

**ATTACHMENT TO**

**STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION**

**IN THE MATTER OF: OLGA ALEXANDRA KARASIK**

**CASE NUMBER(S): 05-O-04340**

Olga Alexandra Karasik ("Respondent") pleads nolo contendere to the following facts and violations. Respondent completely understands that the plea for nolo contendere shall be considered the same as an admission of the stipulated facts and of his or her culpability of the statutes and/or Rules of Professional Conduct specified herein, except as stated in the attached and signed nolo contendere plea form.

**FACTS.**

1. Prior to January 2004, Mark Boothby ("Boothby") and Frank Parker ("Parker") entered into a partnership agreement to develop property for investment purposes in Lancaster, California, for their mutual profit, and Boothby incorporated a limited liability company in Nevada titled "Fresh Start Developments, LLC" ("Fresh Start"). Parker purchased property in Lancaster (the "Lancaster Property") and paid all of the expenses associated with the development of the Lancaster Property. The title to the Lancaster Property was held in Parker's name. Towards the end of 2003, Boothby and Parker entered into negotiations with a general contractor, Dan Pryor ("Pryor"), to develop a condominium project on the Lancaster Property.

2. On or about January 14, 2004, Boothby, Parker and Fresh Start retained Respondent, at that time an associate attorney with Wasserman, Comden & Casselman, LLP, to represent Boothby, Parker, and Fresh Start in negotiations with Pryor in connection with the land development agreement and to formalize the agreement with Pryor.

3. Between on or about January 20, 2004, and on or about February 13, 2004, Pryor informed Respondent that he would not enter into the land development agreement with Fresh Start, because Fresh Start did not own the Lancaster property, and that he would only enter into an agreement with Parker.

4. On or before February 13, 2005, Respondent prepared a land development agreement for Parker to enter into with Pryor.

5. On or about February 13, 2004, Parker and Pryor signed the land development agreement.

6. At or about the same time, a dispute arose between Parker and Boothby

resulting in Parker's termination of his partnership agreement with Boothby to develop property for investment purposes.

7. On or about February 22, 2004, Boothby informed Respondent that he had a dispute with Parker in connection with the land development agreement.

8. On or about March 5, 2004, Respondent prepared and mailed a letter to Boothby and Parker that stated that due to the conflict between the parties she would not be able to continue representing any of them in the land development agreement. At about the same time or shortly thereafter Boothby retained attorney Kapp to represent his interests.

9. In or about May or June 2004, Parker, represented by another attorney, and Pryor entered into negotiations regarding modifications of the land development agreement, which included Parker's sale of the Lancaster Property by to Pryor.

10. In or about the end of June 2004, Pryor employed Respondent to review documents for Pryor in connection with modification of the land development agreement with Parker, which included Parker's sale of the Lancaster Property to Pryor.

11. In or about the beginning of July 2004, Respondent reviewed documents for Pryor to modify the land development agreement, which included documents reflecting Parker's sale of the Lancaster Property to Pryor.

12. Respondent did not inform Boothby that she was going to represent Pryor in modification of Pryor's land development agreement with Parker, which included the sale of the Lancaster Property from Parker to Pryor, and/or obtain Boothby's informed written consent to permit her to represent Pryor in matters concerning the land development agreement and/or the Lancaster Property.

#### **CONCLUSIONS OF LAW.**

13. By representing Pryor in purchasing the Lancaster Property from Parker after she had declared a conflict in representing Boothby and Parker in their contract negotiations with Pryor concerning that property, Respondent accepted employment adverse to a former client (Boothby) where, by reason of the representation of the client or former client, Respondent had accepted representation of more than one client in a matter in which the interests of the clients actually conflicted without the informed written consent of each client in willful rule 3-310(E).

#### **PENDING PROCEEDINGS.**

The disclosure date referred to, on page 2, paragraph A(7), was November 23, 2009.

**AUTHORITIES SUPPORTING DISCIPLINE.**

Standard 1.3 of the "Standards for Attorney Sanctions for Professional Misconduct" ("Standard") provides guidance as to the imposition of discipline and interpretation of specific Standards. It states that the primary purpose of discipline is the protection of the public, the courts and the legal profession.

Standard 2.10 provides that culpability of a willful violation of any Rule of Professional Conduct not specified in these standards shall result in reproof or suspension according to the gravity of the offense or the harm, if any, to the victim, with due regard to the purposes of imposing discipline set forth in standard 1.3.

In *In re Morse* (1995) 11 Cal .4th 184, 206, the Supreme Court stated the purpose of disciplinary proceedings are the protection of the public, the courts, and the legal profession, the maintenance of high professional standards by attorneys, and the preservation of public confidence in the legal profession.

The Standards authorize reproof or suspension in this matter. Respondent's misconduct involved a single client matter and does not establish a pattern. She has pled nolo contendere that she failed to obtain informed written consent of each of her clients and thereby cooperated with the State Bar in entering into this Stipulation. Given the extent of the misconduct and the degree of harm to the clients, the appropriate level of discipline is a suspension of two (2) years, stayed upon the condition that she be placed on probation for three (3) years.

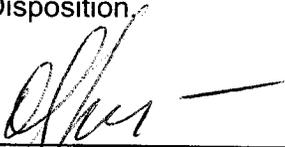
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In the Matter of Olga Alexandra Karasik	Case number(s): 05-O-04340
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**SIGNATURE OF THE PARTIES**

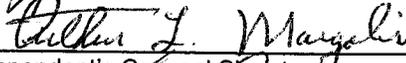
By their signatures below, the parties and their counsel, as applicable, signify their agreement with each of the recitations and each of the terms and conditions of this Stipulation Re Fact, Conclusions of Law and Disposition.

12/08/09  
Date

  
\_\_\_\_\_  
Respondent's Signature

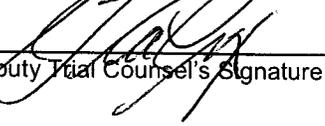
Olga Alexandra Karasik  
Print Name

12/8/09  
Date

  
\_\_\_\_\_  
Respondent's Counsel Signature

Arthur Margolis  
Print Name

12/14/09  
Date

  
\_\_\_\_\_  
Deputy Trial Counsel's Signature

Charles T. Calix  
Print Name

(Do not write above this line.)

In the Matter Of <b>Olga Alexandra Karasik</b>	Case Number(s): <b>05-O-04340</b>
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**ORDER**

Finding the stipulation to be fair to the parties and that it adequately protects the public, IT IS ORDERED that the requested dismissal of counts/charges, if any, is GRANTED without prejudice, and:

- The stipulated facts and disposition are APPROVED and the DISCIPLINE RECOMMENDED to the Supreme Court.
- The stipulated facts and disposition are APPROVED AS MODIFIED as set forth below, and the DISCIPLINE IS RECOMMENDED to the Supreme Court.
- All Hearing dates are vacated.

The parties are bound by the stipulation as approved unless: 1) a motion to withdraw or modify the stipulation, filed within 15 days after service of this order, is granted; or 2) this court modifies or further modifies the approved stipulation. (See rule 135(b), Rules of Procedure.) **The effective date of this disposition is the effective date of the Supreme Court order herein, normally 30 days after file date. (See rule 9.18(a), California Rules of Court.)**

1-5-10  
Date

  
\_\_\_\_\_  
Judge of the State Bar Court  
**RICHARD A. HONN**

**CERTIFICATE OF SERVICE**

[Rule 62(b), Rules Proc.; Code Civ. Proc., § 1013a(4)]

I am a Case Administrator of the State Bar Court of California. I am over the age of eighteen and not a party to the within proceeding. Pursuant to standard court practice, in the City and County of Los Angeles, on January 6, 2010, I deposited a true copy of the following document(s):

STIPULATION RE FACTS, CONCLUSIONS OF LAW AND DISPOSITION AND ORDER APPROVING

in a sealed envelope for collection and mailing on that date as follows:

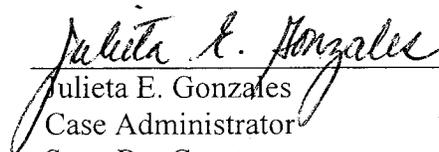
- by first-class mail, with postage thereon fully prepaid, through the United States Postal Service at Los Angeles, California, addressed as follows:

ARTHUR L MARGOLIS ESQ  
MARGOLIS & MARGOLIS LLP  
2000 RIVERSIDE DR  
LOS ANGELES, CA 90039

- by interoffice mail through a facility regularly maintained by the State Bar of California addressed as follows:

Charles T. Calix, Enforcement, Los Angeles

I hereby certify that the foregoing is true and correct. Executed in Los Angeles, California, on January 6, 2010.

  
\_\_\_\_\_  
Julieta E. Gonzales  
Case Administrator  
State Bar Court